DOCUMENT RESUME

ED 212 201 HE 014 662

AUTHOR Thornton, Nelson L., Jr.
TITLE Regulatory Cost Impacts for Selected Institutions of Higher Education in Texas.
PUB DATE Nov 81
NOTE 20p.; For related documents, see HE 014 661 and HE 014 664.

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS College Faculty; Comparative Analysis; Compensation (Remuneration); *Compliance (Legal); Expenditure Per Student; *Expenditures; *Federal Regulation; Government School Relationship; *Higher Education; Medical Schools; Operating Expenses; Private Colleges; *Program Costs; Program Implementation; Resource Allocation; State Colleges; State Surveys; Student Costs; Two Year Colleges
IDENTIFIERS *Texas

ABSTRACT

Regulatory cost impacts for 11 Texas colleges and universities for the 1977-78 academic year are presented as part of a continuing effort to assess the costs and impact of federally mandated social regulations. The 11 institutions are representative of each of the types previously reviewed as groups. For each institution, data are presented on the cost of regulations, including dollar average per institution, student, and student full-time-equivalent; the percent of annual tuition and fees, dollar cost per faculty member, and semester credit hour; the percent of faculty compensation, social benefits to faculty as percent of faculty compensation, and total dollar cost of social benefits to faculty; the percent of regulation cost for faculty salaries reported plus cost of social benefits to faculty; institutions offering retirement, medical, and social security plans; the percent of institutional instruction expenditures and of research expenditures; the percent of federal, state, and local appropriations; the percent of unrestricted endowment income, restricted endowment income, and end of year endowment book value, and the percent of current value of library holdings, books, and periodicals. The study group schools are: Alvin Community College, El Centro College, Tarlton State University, Sam Houston University, Texas State Technical Institute, University of Texas (Medical), Concordia Lutheran, Lon Morris College, Our Lady of the Lake University, Southwestern University, and Baylor College of Medicine. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED212201

HE

REGULATORY COST IMPACTS FOR SELECTED INSTITUTIONS OF HIGHER EDUCATION IN TEXAS

Presented to

Dr. Elliott T. Bowers, President
Sam Houston State University
Huntsville, Texas

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

✓ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Nelson L. Thornton Jr

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Prepared by
Dr. Nelson L. Thornton, Jr.
Professor of Management and Marketing
Sam Houston State University
Huntsville, Texas

November, 1981

HE 014 662

REGULATORY COST IMPACTS FOR SELECTED INSTITUTIONS OF HIGHER EDUCATION IN TEXAS

Purpose and Methodology

This study was prepared as part of a continuing effort to contribute to the very limited amount of literature and data relating to the costs and impacts of federally mandated social regulations. An additional dimension to regulatory impact was added by this researcher in A Comparative Study of the Costs of Federally Mandated Social Regulations as Related to the Characteristics of Institutions of Higher Education in Texas (Thornton, 1981). In this study, previously determined costs were applied to institutional characteristics data relating to students, tuition, faculty compensation and social benefits, instructional and research expenditures, type of appropriations, endowment income and value, and library holdings.

The data presented in the aforemention study are of the type familiar to most administrators of institutions of higher education and are generally included in financial and operating reports as well as the Higher Education General Information Survey (HEGIS) reports required of all institutions. While cost estimates are based on numerous types of impacts resulting from many regulations, the application of total regualtory cost to a single institutional characteristic presents more explicitly the relative degree of the impact of these regulatory costs. For comparative purposes these data were presented by institution type (i.e. two-year, four-year, technical, and medical) and control (i.e. public or private).

This study follows the same methodology as in the previous study;

however, data are presented for eleven individual institutions. These Texas institutions are representative of each of the types previously reviewed as groups, and include the following:

Institution Name	City	Control	Type
Alvin Community College	Alvin	Public	2 years
El Centro College	Dallas	Public	2 years
Tarleton State University	Stevenville	Public	4 years
Sam Houston State University	Huntsville	Public	4 years
Texas State Technical Institute	Harlingen	Public	Technical
University of Texas, Medical Branch	Galveston	Public	Medical
Concordia Lutheran	Austin	Private	2 years
Lon Morris College	Jacksonville	Private	2 years
Our Lady of the Lake University	San Antonio	Private	4 year
Southwestern University	Georgetown	Private	4 year
Baylor College of Medicine	Houston	Public	4 year

Presentation of Data

Data were compiled for the 1977-78 academic year and presented in eight tables according to the institution name. For comparison purposes, these tables correspond to the same numbers and data presented in the aforementioned Thornton study. Other institutions may develop similar impact analyses when regulatory costs are known.

TABLE I

COST OF FEDERALLY MANDATED SOCIAL REGULATION AS REPORTED BY INSTITUTION NAME
INCLUDING DOLLAR AVERAGE PER INSTITUTION, STUDENT, AND STUDENT FTE

Institution Name	Reported $ Cost of Regulations	Average $ Reg. Cost/ Institution Type	Student Enrollment	Reg. $ Cost/ Student	Student FTE	Reg. $ Cost/ FTE
Alvin Community College	99,957	89,058	2435	36.57	1842	54.27
El Centro, Dallas	179,714	89,058	7789	23.07	6238	28.81
Tarleton State University	134,542	239,761	3207	41.95	2919	46.09
Sam Houston State Univ.	500,000	239,761	10,593	47.20	9594	52.12
Texas State Tech. Inst.	9,000	9,000	981	9.17	910	9.89
U.T. Med. Branch, Gal.	1,300,000	456,705	1,338	971.60	1,308	993.83
Concordia Lutheran	10,000	10,000	302	33.11	297	33.67
Lon Morris	10,000	10,000	299	33.44	280	35.71
Our Lady of the Lake	500,000	271,263	1,813	275.79	1,461	342.23
Southwestern Univ.	50,000	271,263	913	54.76	888	56.31
Baylor College of Med.	2,700,000	702,000	811	3,329.22	811	3329.22

TABLE II

COST OF FEDERALLY MANDATED SOCIAL REGULATIONS AS PERCENT OF ANNUAL TUITION AND FEES AND DOLLAR COST PER FACULTY MEMBER AND SEMESTER CREDIT HOUR BY INSTITUTION NAME

Institution Name	Annual $ Tuition Fees	Reg. Cost % of Tuition Fees	No. Faculty	Reg. $ Cost / Faculty	Semester Credit Hours	Reg. $ Cost / Sch
Alvin	420,270	21.26	145	689.36	13,100	7.63
El Centro	1,453,487	12,36	372	483.10	41,673	4.31
Tarleton	433,913	31.01	161	835.66	89,205	1.51
Sam Houston	3,667,375	13.63	349	1,432.66	300,007	1.67
T.S.T.I.	228,709	3.94	78	115.38	N/A	
Total Public	184,483,906	9.06	26,000	642.61	N	
U.T. Med. Branch	509,589	255.11	508	2559.06	N/A	
Concordia	301,409	3.32	25	400.00	N/A	
Lon Morris	268,993	3.72	22	454.55	N/A	
Our Lady of the Lake	2,871,812	17.41	162	3,086.42	N/A	
Total Private	130,870,237	10.68	5,605	2,494.73	N/A	
Southwestern University	1,841,527	2.72	81	617.28	N/A	
Total Pub-Pri	315,354,143	9.73	31,605	971.05	N/A	
Baylor Med.	969,675	278.44	863	3,138.62	N/A	

TABLE III

REPORTED REGULATION COST AS PERCENT OF FACULTY COMPENSATION:
SOCIAL BENEFITS TO FACULTY AS PERCENT OF FACULTY COMPENSATION:
AND TOTAL DOLLAR COST OF SOCIAL BENEFITS TO FACULTY, BY INSTITUTION NAME

Institution Name	Average $ Faculty Compensation	Total $ Faculty Compensation	Reg. Cost % of Faculty Compensation	Social Benefits % of Faculty Compensation	Total $ Cost of Social Benefits to Faculty
Alvin	18,189	2,637,405	3.79	14.0	369,236
El Centro	20,100	7,477,200	2.40	7.0	523,404
Tarleton	16,618	2,675,498	5.03	14.0	374,569
Sam Houston	19,895	6,943,355	7.20	12.0	833,202
TSTI	12,583	981,474	.92	15.0	147,221
U.T. Med Branch	31,100	15,798,800	8.23	13.0	2,053,844
Concordialutheran	18,354	458,850	2.18	12.0	55,062
Lon Morris	12,000	264,000	3.79	16.0	42,240
Our Lady of the Lake	17,533	2,840,346	17.60	11.0	312,438
Southern University	17,690	1,432,890	3.49	18.0	257,920
Baylor Medical	33,860	29,221,180	9.24	21.0	6,136,447

TABLE IV

REPORTED REGULATION COST AS PERCENT OF FACULTY SALARIES
REPORTED REGULATION COST PLUS COST OF SOCIAL BENEFITS TO FACULTY
INSTITUTIONS OFFERING RETIREMENT, MEDICAL AND SOCIAL SECURITY PLANS, BY INSTITUTION NAME

Institution Name	Ave. $ Faculty Salary	Total $ Faculty Salary	Reg. Cost % of Faculty Salaries	$ Reg Cost = $ Social Benefit to Faculty Cost	Number Institutions With Retirement	Med.Ins.	Soc.Sec.
Alvin	15,613	2,263,885	4.42	469,193	yes	yes	yes
El Centro	16,799	6,249,228	2.88	703,118	yes	yes	no
Tarleton	14,866	2,393,426	5.62	509,111	yes	yes	yes
Sam Houston	17,422	6,080,278	8.22	1,333,202	yes	yes	yes
TSTI	10,700	834,600	1.08	156,221	yes	yes	yes
U.T. Med. Branch	27,679	14,060,932	9.25	3,353,844	yes	yes	yes
Concordia Lutheran	16,100	402,500	2.48	65,062	yes	yes	yes
Lon Morris	10,300	226,600	4.41	52,240	no	yes	yes
Our Lady of the Lake	15,300	2,478,600	20.17	812,438	yes	yes	yes
Southwestern University	14,500	1,174,500	4.26	307,920	yes	yes	yes
Baylor Medical	26,767	23,099,921	11.69	8,836,447	yes	yes	yes

TABLE V

REPORTED REGULATION COST AS PERCENT OF
INSTITUTIONAL INSTRUCTION EXPENDITURES
AND OF RESEARCH EXPENDITURES, BY INSTITUTION NAME

Institution Name	$ Instruction Expenditures	Reported Reg. Cost % of Inst. Expend.	$ Research Expenditures	Reported Regular Cost % of Research Expenditures
Alvin	1,989,249	5.02	0	0
El Centro	4,560,053	3.94	225,360	79.75
Taraeton	2,852,231	4.72	34,101	349.54
Sam Houston	10,379,796	4.82	218,548	228.78
TSTI	1,935,691	.46	0	0
U.T. Medical Branch	31,298,412	4.15	10,082,194	12.89
Concordia Lutheran	222,288	4.38	0	0
Lon Morris	245,056	4.08	0	0
Our Lady of the Lake	2,401,063	20.82	0	0
Southwestern University	1,259,983	3.97	0	0
Baylor Medical	18,026,726	14.98	21,080,256	12.80

TABLE VI

REPORTED REGULATION COST AS PERCENT OF
FEDERAL, STATE, AND LOCAL APPROPRIATIONS,
BY INSTITUTION NAME

Institution Name	$ Federal Appropriations	Reported Reg Cost % of Federal Appropriations	$ State Appropriations	Reported Reg Cost % of State Appropriations	$ Local Appropriations	Reported Reg. Cost % of Local Appropriations
Alvin	0		2,129,783	4.69	2,071,598	4.83
El Centro	277,376	64.69	5,473,871	3.28	531,626	33.80
Tarleton	280,473	47.97	4,571,241	2.94	0	
Sam Houston	1,261,065	39.65	14,249,817	3.51	0	
TSTI	0		2,390,715	.38	0	
U.T. Medical Branch	0		59,866,535	2.17	0	
Concordia Lutheran	0		0		0	
Lon Morris	0		0		0	
Our Lady of the Lake	1,160,988	43.07	0		0	
Southwestern University	0		0		0	
Baylor Medical	0		9,788,540	27.58	0	

TABLE VII

REPORTED REGULATION COST AS PERCENT OF UNRESTRICTED ENDOWMENT INCOME, RESTRICTED ENDOWMENT INCOME, AND END OF YEAR ENDOWMENT BOOK VALUE, BY INSTITUTION NAME

Institution Name	Endowment Income $ Unrestricted	Reg. Cost % of Unrestricted Endowment	Endowment Income $ Restricted	Reg. Cost % of Restricted Endowment	Endowment $ Book Value EOY	Regular Cost % of Endowment Book Value EOY
Alvin	0		0		0	
El Centro	0		0		0	
Tarleton	11,677	1152.20	30,500	441.12	997,793	13.48
Sam Houston	0		9,416	5,310.11	486,668	102.74
TSTI	0		0		0	
U.T. Medical	0		652,635	199.19	17,329,021	7.50
Concordia Lutheran	0		8,004	124.94	172,900	5.78
Lon Morris	126,831	7.88	0		1,818,558	.55
Our Lady of the Lake	107,451	465.33	0		2,941,211	17.0
Southwestern University	893,995	5.59	199,928	25.01	18,528,476	.27
Baylor Medical	1,420,318	190.10	208,468	1,295.16	20,859,025	12.94

TABLE VIII

REPORTED REGULATION COST AS PERCENT OF CURRENT VALUE
OF LIBRARY HOLDINGS, BOOKS AND PERIODICALS
BY INSTITUTION NAME

Institution Name	Library Holdings Books	Total Current Value of Books $ (1)	Reg. Cost % of Books	Library Holdings Periodicals	Total Annual Value of Periodicals $ (2)	Reg. Cost % of Periodicals
Alvin	30,000	521,700	19.16	200	4,504	2219.29
El Centro	52,187	907,531	19.80	322	7,251	2478.47
Tarleton	140,000	2,434,600	5.52	1,930	43,463	309.56
Sam Houston	512,642	8,914,844	5.61	4,900	110,348	453.11
TSTI	11,500	199,985	4.50	300	6,756	133.21
U.T. Medical Branch	52,000	904,280	143.76	4,200	94,584	1374.44
Concordia Lutheran	19,701	342,600	2.92	153	3,445	290.28
Lon Morris	27,000	469,539	2.13	125	2,815	355.24
Our Lady of the Lake	126,307	2,196,478	22.76	950	21,394	2337.10
Southwestern University	122,663	2,133,109	2.34	542	12,205	409.67
Baylor Medical	139,234	2,421,279	111.51	4,190	94,358	2861.44

(1) Current dollar cost/book = $17.39 (Bowker)

(2) Current dollar cost/periodical = $22.52 (Bowker)